

The Hearings Process Improvement Initiative

Delivering Better Service for the 21st Century

Social Security Administration

August 1999

Executive Summary

Hearings Process Improvement Initiative

Although substantial improvements have been made in reducing average hearing processing times, current processing times for hearings are still unacceptably high. These improvements relied heavily on increasing the staff resources that were devoted to this effort. To further reduce processing times without additional resource expenditures, the Hearings Process Improvement (HPI) initiative was undertaken to examine the current hearing process and to make it more efficient from request for hearing to final disposition.

We are committed to enhancing the service we provide to our customers by reducing the time it takes for them to receive a hearing and decision. The new HPI initiative will, we believe, enhance the timeliness of decisions and, thus, improve customer service by more effectively utilizing the staffing resources that are dedicated to this goal. The HPI is an integral part of SSA's overall plan for managing the disability process, which is detailed in the Commissioner's March 1999 report, *"Social Security and Supplemental Security Income Disability Programs: Managing for Today Planning for Tomorrow"*.

The Hearing Process Team and Its Charge

The HPI is the result of the work performed by a high-level interdisciplinary team. The team's charge was to make recommendations that would:

- Reduce processing times;
- Increase productivity; and
- Enhance the quality of service to the claimant.

Methodology

To fulfill this charge, the team, working with Booz-Allen & Hamilton Inc., undertook a formal process analysis that:

- Reviewed the current hearings process and divided it into pre- and post- hearing development activities;
- Identified root causes for delays;
- Analyzed current processing and workload data;
- Evaluated several best practices; and
- Employed computer-based modeling.

Current Process: Major Findings

The team's examination of the current process resulted in the identification of three principal categories of impediments to achieving the goals of lower processing times, higher productivity, and improved service to the claimant. They are:

- Process delays caused by the fact that both pre- and post-hearing functions are multi-layered, involving numerous handoffs and a high degree of functional specialization.
- The hearing office structure itself fosters the highly specialized functioning of staff and has led to stove piping (excessive vertical operation). There is no manager with overall responsibility for ensuring effective workflow. Emphasis of each staff group is on a specific aspect of production rather than on processing the case in the most timely and customer-focused manner.
- Automation and Management Information support is inadequate.

Strategy for Addressing These Impediments

The strategy for improving the hearing adjudication process incorporates three major inter-related change initiatives that address the three principal categories of impediments cited above. They are:

- Process Improvements
- Group-Based Accountability
- Automation and Data Collection

Each of these initiatives serves to address the goals of reducing processing times, increasing productivity and improving the quality of service provided to claimants.

Process Improvements

- **Implement National Workflow Model** that combines pre-hearing activities so that fewer handoffs occur. Early high-level analysis, screening, work-up and routing will ensure that cases will be handled in the most expedited manner.
- **Establish Processing Time Benchmarks** for the overall hearing process as well as for certain tasks within the process.
- **Standardize and Expand the Use of Pre-Hearing Conferences** which provide the claimant with added opportunities to submit additional, more timely evidence and permit the hearing office to explain the hearings process issues and development needs of the case to the claimant. Pre-hearing conferences will help ensure that cases that should be allowed are allowed as early as possible. Cases will be **certified as "Ready to Hear"** upon completion of necessary development.

Group-Based Accountability

Group-based accountability for processing the entire case replaces excessive vertical specialization. Structural changes in the hearing office assign accountability for management of the improved workflow process and remove ambiguity in lines of authority and responsibility. Hearing offices are organized into self-contained processing groups under a group supervisor. Each group serves about four judges.

Automation and Data Collection

The improved process is information-driven and relies on enhanced automation and management data collection and analysis. Automated tickler systems provide a new and valuable tool for tracking the progress of cases.

Video Conferencing

The use of video conferencing equipment to conduct hearings between Administrative Law Judges and claimants and representatives at other locations has the potential to further reduce processing times and increase productivity. Once results are in for current video conferencing initiatives, we will develop a wider range expansion plan.

Implementation Plan

Phase I of the HPI will be initiated in January 2000 in the 35 hearing offices in the 10 states that have been selected to prototype modifications to the disability process. The success of the new process will be monitored and analyzed during the following months and any necessary changes and fine-tuning will be effected before additional sites are rolled out. Staff in Phase I offices will receive training on the new process during the month of December 1999.

Expected Outcomes

The HPI will make the hearing process more timely, efficient and customer focused. The combined effects of the HPI initiatives are expected to result in an overall reduction in processing time of 21% and an increased Productivity Per Workyear (PPWY) of about 16% over what the current process would produce once the improved process is fully implemented.

The Hearings Process Improvement Initiative

Overview of the Office of Hearings and Appeals

The Office of Hearings and Appeals (OHA) is responsible for levels three and four of the current four-level administrative decision-making process. Initial and reconsideration medical decisions are made by the Disability Determination Services for disability claims or by Field Offices for most other claims. OHA provides claimants who are dissatisfied with the determination made at the initial and reconsideration levels the opportunity to have a full due process hearing on their claims, with, if they still wish to appeal, an administrative review by the Appeals Council of that decision.

At the hearing level, Administrative Law Judges (ALJs) hear and decide appeals of reconsideration determinations. In Fiscal Year (FY) 1998, OHA cleared over 618,000 cases¹ at the hearing level. The vast majority of these cases involved the issue of disability; however, in recent years, the number of requests for hearing on Medicare issues has grown dramatically. Medicare cases currently account for nearly 14% of OHA's pending workload.

To achieve production in excess of 600,000 cases annually, OHA employs over 1,100 ALJs (approximately 80% of all federal ALJs) and approximately 5,700 support staff throughout 140 hearing offices around the country. A typical hearing office has 5-7 ALJs, as well as support staff to assist the ALJs in preparing cases for hearing and for drafting decisions after the hearing. The management structure of the typical hearing office includes: the Hearing Office Chief Administrative Law Judge, a Hearing Office Manager (GS-12, responsible for general office management), Supervisory Staff Attorney (GS-13, responsible for overseeing the decision drafting function) and one or more Hearing Office Supervisors (GS-10, responsible for overseeing development, scheduling, and clerical support functions). The decision-writing function generally is performed by GS-9-12 attorneys or paralegal specialists. Case development is generally performed by GS-6-8 legal assistants.

Background

Despite increased productivity and dispositions in OHA, record numbers of requests for hearing filed in the early and mid-1990s exceeded the number of cases OHA could process in a timely manner. Hearing request receipts increased by almost 100% from the late 1980s to the mid-1990s. During this same period, overall staffing and overtime levels increased by only 50%. The table below details

¹ Unless otherwise noted, "cases" include requests for hearing for both SSA and Medicare claims.

resulting workload trends. Shown are number of requests for hearing decided or dismissed (dispositions), productivity levels derived by dividing dispositions by staffing and overtime (productivity per work year), and the average time from the date a hearing request is filed to the date of decision or dismissal (average processing time).

TABLE I

OHA WORKLOAD TRENDS FY 1986 – FY 1998

Year	Dispositions	Productivity per Work Year	Average Processing Time
1986	219,606	63	172
1987	247,138	72	198
1988	280,760	80	216
1989	300,157	80	217
1990	296,758	81	212
1991	316,508	80	229
1992	356,751	82	223
1993	374,308	88	238
1994	417,333	90	305
1995	526,743	99	350
1996	580,832	104	378
1997	574,795	102	386
1998	618,578	103	371

Despite a 25% gain in productivity from 1988 to 1995 and increases in staff (including hiring many ALJs), the workforce simply could not keep pace with the dramatic increase in receipts. The increase in workload resulted in processing times for Social Security cases jumping from under 200 days in 1987 to over a year by 1996. The high processing times, particularly prehearing time, made additional productivity gains more difficult to achieve as more staff and ALJ time was required to update case files.

In order to address the large workload and high processing times, SSA undertook a number of initiatives. Initiatives impacting the hearing workload included the following:

- Senior Attorney initiative;
- Screening units;
- Decision-writing units;
- Case preparation units;
- Modular Disability Folder;

- Informal remands by the DDSs;
- Additional automation (more personal computers, software and training); and
- Participation in SSA's testing of the Adjudication Officer redesign initiative.

Several of these initiatives were part of the Short Term Disability Project, which was designed to reduce disability workloads at both the Disability Determination Services (DDS) and OHA by implementing a strategy that supported a redesigned disability process.

During this period, overall OHA field staffing levels rose from 6,020 in FY 1995, to 6,791 in FY 1998, an increase of more than 12%. OHA field overtime increased from 625,000 hours to 1,005,500 hours, a 61% increase. Also, an additional 2,200 workyears have been expended on hearings-related work by components outside of OHA since FY 1997.

Through these efforts, pending workloads have been on a continual decline for over 2 years. Processing time for SSA cases has also continued to decrease, and dropped to 291 days for the month of June. The average processing time for all cases in FY 1999 is expected to be 313 days.

Hearings Process Improvement Initiative

While this represents significant improvement, the current processing times for hearings are still unacceptably high. In addition, these improvements relied heavily on increasing the staff resources that were devoted to this effort. To further reduce processing times without additional resource expenditures and at the direction of the Commissioner, OHA undertook the Hearings Process Improvement (HPI) initiative to examine the current hearing process and to make it more efficient from request for hearing to final disposition. The HPI is an integral part of SSA's overall plan for managing the disability process, which is detailed in the Commissioner's March 1999 report, *"Social Security and Supplemental Security Income Disability Programs: Managing for Today, Planning for Tomorrow"*.

The specific goal established for processing a typical case in OHA under the new initiative is 180 days or less which we expect to achieve by 2004. This ambitious processing goal takes into account: the minimal time necessary to develop the case for a hearing; twenty days notice, as required by regulation; the concurrent scheduling of multiple parties; conducting a full and fair hearing; and preparing, editing, and mailing the decision. To process a case in 180 days reflects our dual commitment to provide reasonable processing times for the claimant and to deliver fair, high-quality decisions. The new HPI initiative, combined with related activities (such as expanded use of videoconferencing), should result in high-quality decisions

within 180 days or less through a more efficient utilization of the staffing resources within the hearing office.

The Hearings Process Improvement Team and Its Charge

The HPI is the result of the work performed by a high-level interdisciplinary team. The team, led by Stephen Wright, the Regional Chief ALJ for the New York Region, included: the Associate Commissioner of OHA, the Chief ALJ, the Deputy Regional Commissioner for the Chicago Region, the Directors of the Disability Process Redesign Team and Office of Workforce Analysis, the Director of the Washington D.C. DDS, the Hearing Office Chief ALJ in Raleigh N.C., and the OHA Regional Management Officers for Boston and Chicago. In addition, the team drew on the expertise and experience of numerous other individuals within SSA.

The team's charge was to make recommendations that would:

- Reduce processing times;
- Increase productivity; and
- Enhance the quality of service to the claimant.

Methodology

To fulfill this charge, the team, working with Booz-Allen & Hamilton Inc., undertook a formal process analysis that:

- Reviewed the current hearings process and divided it into pre- and post- hearing development activities;
- Identified root causes for delays;
- Grouped the 23 discrete steps in the hearings process into 7 primary processes;
- Analyzed current processing and workload data;
- Evaluated prior history and OHA pilots;
- Evaluated several best practices; and
- Employed computer- based modeling.

Current Process: Major Findings

The team's examination of the current process resulted in the identification of three principal categories of impediments to achieving the goals of lower processing times, higher productivity, and improved service to the claimant.

Process Delays

One of the root causes for hearing delays is that both pre- and post- hearing functions are multi-layered, involving numerous handoffs and a high degree of functional specialization. Therefore, especially in the front end of the current process, cases wait in queue for extended periods of time to move to the next step of the process. For example, in the current process a case may wait in queue for months if additional development is needed. As a consequence of these unproductive time lags, cases wait too long before they are ready to be scheduled.

Even those cases that are initially ready for hearing may require additional development by the time the hearing is scheduled. Therefore, hearings are frequently postponed so that the evidence can be brought up to date, and by the time it is rescheduled, the case may well have become stale again and require further development before it can be heard.

In addition, there is often inadequate early screening of those cases that could be allowed based on evidence already in file (On the Records) or dismissed without a hearing (e.g. due to a claimants failure to appear). Pre-hearing analysis and/or development can be less than optimal, which further delays processing the case. To improve accountability by any one staff person, we need to eliminate the piecemeal nature of the processing and establish case ownership to ensure the most effective and timely adjudication of the case.

Organizational Issues

In addition to the factors cited above, the structure of the hearing offices also impedes overall efficiency and quality of service. The highly specialized functioning of Hearing Office Clerks, Legal Assistants, Paralegal Specialists, Staff Attorneys and Senior Attorneys in the hearing office has led to excessive vertical operation or “stove piping”. This has further undermined the goal of improved customer service by discouraging ownership of the total hearing office process and shared accountability for the ultimate service to the claimant. The emphasis of each staff group is primarily on the specific aspect of production for which they are responsible. If one aspect of the work is backlogged, other staff groups cannot/ do not generally assist because their area of responsibility is limited to one aspect of case processing. The attention of each staff group is on limited functions rather than on processing the case in the most timely and customer-focused manner.

In addition, inadequate communication and coordination among the hearings functions, limited career tracks and opportunities, and insufficient staff development have further discouraged hearing office staff from functioning as a corps of professionals working towards a common goal.

Inadequate Automation and Management Information Support

Management Information (MI) and automation support are inadequate to meet the workload management needs of the hearing office. This results in ineffective tracking and management of case processing and less than optimal service to the claimant in providing case status and other relevant information. For example, currently there is no formal automated technique to follow-up on receipt of materials necessary for the development of a case. Therefore, cases awaiting receipt of more information may be neglected because of the absence of an electronic tickler system to facilitate follow up on the request.

The hearings workload is comprised of many categories of cases with different processing characteristics. Not only are there disability and non-disability workloads in the hearing office, but distinct disability workloads based on type of impairment, status of the claimant (e.g. child or adult), existence of prior claims and other factors that may dictate the case development and adjudication needs of the case. Enhanced automation and MI support are required in order to better manage the processing of each category of cases according to its needs and to eliminate unnecessary queue time. Effective case management requires the ability to assign accountability for each case and to monitor and track each case through every step of the process to avoid delays. This degree of MI support is not presently in place.

Strategy for Addressing These Impediments

The strategy for improving the hearing adjudication process incorporates three major inter-related change initiatives that address the three principal categories of impediments cited above. They are:

- Process Improvements
- Group-Based Accountability
- Automation and Data Collection

Each of these initiatives serves to address the goals of reducing processing times, increasing productivity and improving the quality of service provided to claimants. To a great extent, they are a standardization of best management practices already utilized in some hearing offices.

Process Improvements

Implement National Workflow Model

A key strategy for reducing processing times and improving productivity is the implementation of a national workflow model that combines pre-hearing activities so that fewer handoffs occur. This model will be standardized throughout all hearing offices while permitting some variations based on differences in the nature of the workload and other factors. Early high-level analysis, screening, work-up and routing will ensure that possible dismissals or On the Record cases will be assigned immediately to a Legal Advisor for review, and that cases are selected and assigned to the processing group on the basis of expedited status and other established criteria. Moving the analyst function to the front end of the hearing process will ensure that each case is appropriately and efficiently developed and adjudicated. This will eliminate substantial amounts of queue time.

Standardized automation procedures such as development and maintenance of automated notices, automated tickler follow-up and case tracking, and enhanced decisional support must also be implemented in order to facilitate the national model workflow.

Establish Processing Time Benchmarks

Establishing processing time benchmarks will contribute towards reducing processing times and, therefore, better serve the claimant. Benchmarks will be established for the overall hearing process as well as for certain tasks within the process, which will reflect the customer focus of the improved hearing process. This will contribute to staff emphasis on the entire adjudication process and the interdependence of all tasks in the process.

As cited earlier, in the current process a case may wait too long in queue if additional development is needed. However, with the implementation of processing benchmarks, from the time a case is first scheduled for prehearing a limited amount of time will be allowed to elapse before follow up on the claimant's response. If the claimant has responded, a development analysis will be made promptly. If the claimant has failed to respond, efforts will be made to contact the claimant quickly.

The use of benchmarks will be enhanced by the tickler system included in a proposed Development Calendar. Processing time benchmarks for specific development actions (e.g. receipt of certain information) will be included in the Calendar. As that date nears, the Development Calendar Tickler Reports will indicate those cases that require follow-up because the required information has not been received.

Establishing processing time benchmarks and other similar tools will result in cases spending less time in development, and in moving to hearing more quickly.

Certification of Case Readiness, Developmental and Pre-Hearing Conferences

As explained above, a principal reason for lengthy processing times is that full and current development of cases is not always achieved before a hearing is held. Ensuring that each case that is scheduled is, in fact, ready for hearing is a major objective of the improved process. Through early case analysis, the development needs of each case will be identified and development will be initiated with the maximum participation of the claimant and his or her representative.

Under the new process, all hearing offices will offer the claimant and/or representative the opportunity for a developmental conference (i.e., by telephone or face to face; or a Pre-hearing Conference (PHC), if appropriate. The developmental conference improves service to the claimant by providing him or her with added opportunity to submit additional, more timely, and perhaps different evidence. It will also permit the hearing office to explain fully to the claimant:

- The hearings process issues and development needs of the case;
- The right to and availability of representation; and
- How the claimant can assist in achieving a more timely disposition of the claim.

In addition, a formal PHC may be offered to narrow the issues to be adjudicated or may result in an On the Record decision. This would eliminate the need for a hearing and furthers our goal of ensuring that those who should be allowed are allowed as early as possible.

Upon completion of necessary development, cases will be certified as "Ready To Hear". The new process provides an opportunity for claimants and their representatives to be active and participate in early completion of case development.

Group-Based Accountability

As outlined above, a major impediment to increasing productivity and reducing processing times is the excessive vertical stove piping of functional responsibilities. Analysis of the current process indicates that significant improvements will result from ensuring better accountability and control for the handling of each claim and reducing hand-offs. Therefore, structural changes are planned that assign accountability for management of the improved workflow process and remove ambiguity in lines of authority and responsibility.

As Table I below illustrates, under the new hearing office structure, a Hearing Office Director (HOD) position will be established with responsibility, under the general direction of the HOCALJ, for ensuring the efficient management of workflow and timely and effective processing of cases throughout the hearing office. The hearing office will be organized into "corps units," with each of these processing groups serving approximately four judges. The group will be organized under a Group Supervisor who is accountable for the efficient management of that group's workload. The Group Supervisor will work in tandem with the Legal Advisor, who will provide legal technical assistance to members of the group, as well as to the HOD and the judges. The Legal Advisor will also review possible On the Record decisions and dismissals, assist in writing the more complex and difficult decisions, and perform other analyst functions.

This approach offers advantages over the present structure. It combines the best of the old "unit system" structure while employing processing efficiencies that make for a better distribution of work and resources. The processing group is a self-contained, fixed-sized working unit that can be more effectively managed and can develop its own efficiencies.

TABLE II

POSITIONS IN THE NEW HEARINGS PROCESS

Hearing Office Chief Administrative Law Judge	
Administrative Law Judge	
Hearing Office Director	GS-13/14
Group Supervisor	GS-13
Legal Advisor	GS-13
Attorney Analyst	GS-9/11/12
Paralegal Analyst	GS-9/11/12
Lead Case Technician	GS-9
Senior Case Technician	GS-6/7/8
Case Technician	GS-4/5/6
Management Services Assistant	GS-6/7
Computer Assistant	GS-6/7/8

Automation and Data Collection

The improved process is information-driven and relies on enhanced automation and management data collection and analysis. For this process to function effectively, it must be supported by automation that facilitates the monitoring,

tracking and tickling of case processing and development steps; facilitates transfer of case-related information; helps ensure completeness of case development and analysis; and increases efficiency of highly variable labor intensive functions, such as scheduling.

Automated tickler systems, as discussed under "Establishing Processing Time Benchmarks", provide a new and valuable management information tool with which the manager can easily track the progress of cases and obtain data for analysis. Even something as simple as a fully automated cover sheet, programmed to list the most commonly entered information, will result in significant staff time savings, freeing staff to do other necessary and more productive work.

OHA is working with the Office of Systems to put these and other enhancements in place. In addition, in the longer term, we expect that the development and expansion of the electronic folder to hearing offices, and greater use of video conferencing equipment for conducting hearings (described below), will allow for additional efficiencies.

Video Conferencing

In order to provide customers with face-to-face hearings and to correct imbalances in workloads between various hearing offices, ALJs can spend a large percentage of their time traveling to remote sites. Indeed, in the San Francisco Region, judges are traveling, on average, two weeks out of every month. One automation effort currently underway shows great potential to reduce travel time, travel-related expenses, and thus increase time available for in-office case-related work. The use of video conferencing equipment to conduct hearings between ALJs and claimants and representatives at other locations has the potential to further reduce processing times and increase productivity.

Video conferencing can be productive, not only to connect remote locations and save travel time, but to manage disparate workloads as well. The Richmond, Virginia hearing office, in cooperation with the State of Virginia, has initiated a video conferencing project with Social Security offices in Delaware and West Virginia, in order to conduct hearings for offices with larger pending workloads. This innovative approach to workload management shows great potential for other areas of the country, and was recognized by the presentation of Vice President Gore's Hammer Award in June 1999.

From February 1996 to May 1997, OHA conducted a video conferencing pilot in several sites. Subsequent evaluation of the pilot results cited reduction in processing time of 38 days in one of the pilot offices. OHA's current plans call for a small expansion of video conferencing to 5 additional hearing offices in

1999, with potential savings of 2,017 annual ALJ work hours based on the reduced travel time alone. Once results are in for these new sites (in FY 2000), we will develop our wider range expansion plan.

Comparison of Current and New Process

The improved hearing process is based on best management practices and is customer- focused. Strategies contained in the HPI initiative will:

- Provide a higher level of analytical support for the judges that will allow them to focus on hearing cases and, therefore, will improve processing times and productivity of the Hearing Office;
- Incorporate customer-focused best practices such as pre-hearing conferences that assist claimants in understanding the hearing process and provide them the opportunity to submit additional or new evidence;
- Assign each case to an analyst working within the processing group who will shepherd it through the entire pre- to post- hearing process;
- Provide for active monitoring of case flow; and
- Develop a supportive "corps" system with case ownership throughout the process.

The table below summarizes some issues related to the current process and illustrates how the HPI will improve hearing office management and customer service.

TABLE III

Current Process	HPI
Judges perform case processing functions, reducing the time available to hear and decide cases.	Analysts provide case analysis and review of development materials at front end, reducing the time Judges need to spend on case processing functions.
Cases are sometimes not fully developed prior to the scheduling of hearings. Increased number of adjournments, no shows, and continuances result, causing loss of time and duplication of effort.	Analysts and technicians fully develop cases through use of comprehensive questionnaires and in-person communication with claimant. Through the pre-hearing conferences (PHC), the process is explained and information is provided. This results in reduction in number of adjournments, no shows and continuances.

Unequal distribution of work across staff functions causes unnecessary delays. Staff focus on specific aspects of production; no ownership of case.	Staff works as a corps of professionals. Employees perform multiple functions in order to process cases in most timely manner.
Lack of formal pro-active techniques to follow-up on receipt of materials necessary for case development.	Use of electronic tickler calendars and management reports.
Inadequate management information reports focusing on the analysis and measurement of work at the HO level. Difficult for managers to identify and solve issues quickly and effectively.	Use of reports that pinpoint results of all hearings scheduled per week. Enables HO management to identify problems and to take timely remedial action.

These improvements translate into a process that, when fully implemented, is expected to reduce average processing time for all cases from 313 (projected for FY 1999) to 193 days (in FY 2002). The chart at Appendix A illustrates where these efficiencies are expected in comparison to the current process.

Implementation Plan

The HPI Implementation Timeline (Appendix B) lays out the principal steps and timeframes for implementing Phase I of the Hearings Process Improvements rollout. We will work closely with the unions and other stakeholders to ensure that additional details and plan implementation reflect the very best of all of our collective efforts. The HPI will be initiated in January 2000 in the 35 hearing offices in the 10 states that have been selected to prototype modifications to the disability process. The success of the new process will be monitored and analyzed during the following months and any necessary changes and fine-tuning will be effected before additional sites are rolled out. Staff in Phase I offices will receive training on the new process during the month of December 1999.

The HPI will be rolled out in the remaining 110 hearing offices in two phases. About half the remaining offices will implement the HPI beginning in October, 2000, with the balance starting up in January, 2001.

Expected Outcomes

The HPI will make the hearings process more timely, efficient and customer focused. We will process more cases, more timely, with fewer workyears. As the table below illustrates, in FY 2002, combined effects of the HPI initiatives are expected to result

in an overall reduction in processing time of 21% and an increased Productivity Per Workyear (PPWY) of about 16% over what the current process would produce. In addition, the HPI is expected to increase dispositions by approximately 59,000 or 10 percent over the estimate for that year under the current process. These improvements will be effected with about 344 fewer workyears than projected under the current process.

TABLE IV

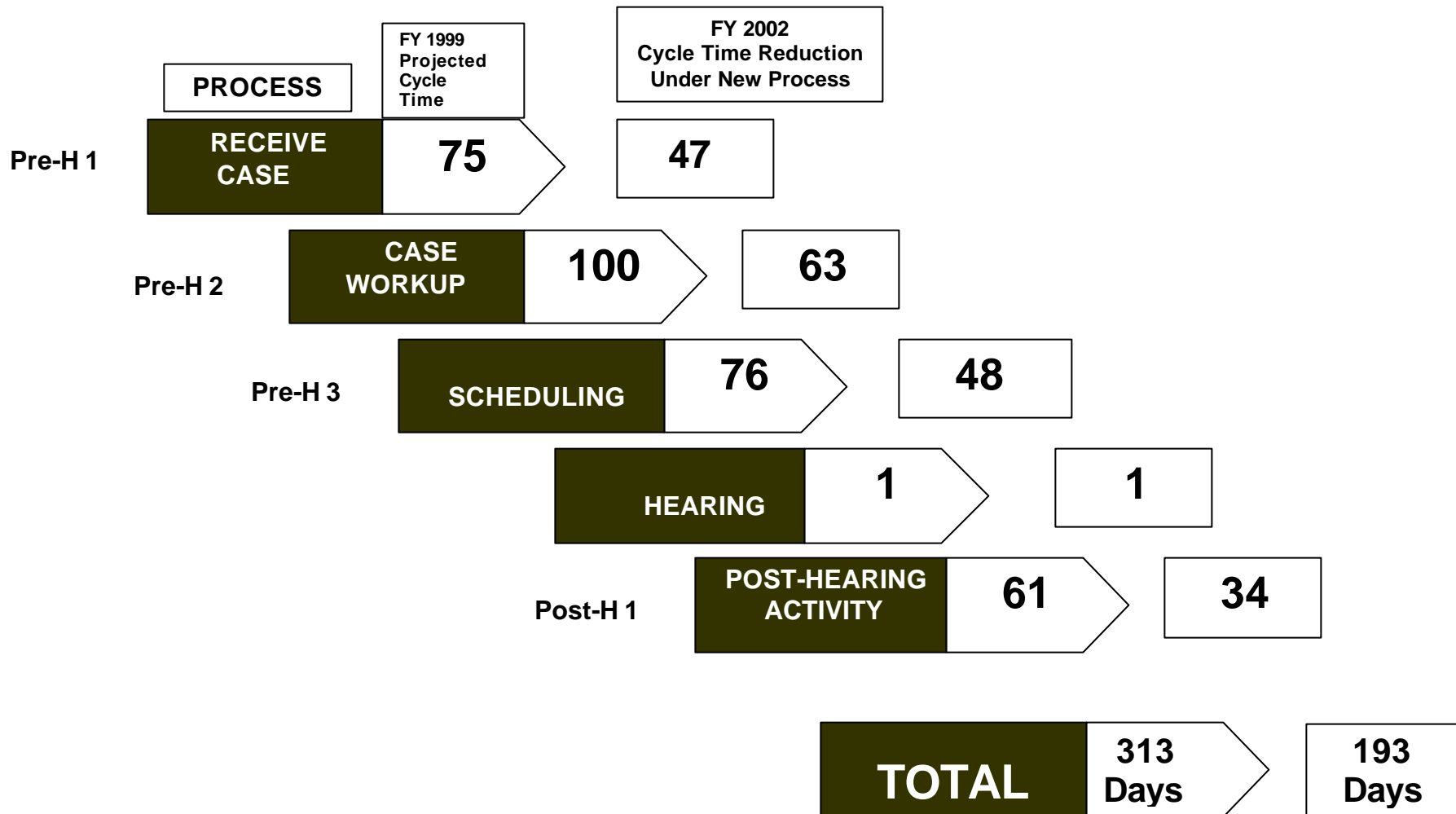
ANTICIPATED OUTCOMES

	FY 1999	FY 2000			FY 2002			FY 2005*		
	Baseline	w/o HPI	HPI	%diff	w/o HPI	HPI	% diff	w/o HPI	HPI	%diff
Dispositions	605,000	590,277	590,046	0.0%	564,040	622,632	10%	577,648	636,240	10%
Processing Time (All Cases)	313	270	257	-4.8%	244	193	-21%	327	166	-49%
Productivity per Workyear (PPWY)	100.00	102	104	2.0%	103	119	16%	105	122	16%
Workyears	8,651	8,247	8,162	-1.0%	8,247	7,903	-4%	8,247	7,903	-4%

* Reflects additional efficiencies in processing time and PPWY resulting from planned automation initiatives (electronic folder and video conferencing).

These results are an important part of SSA's overall efforts to improve and streamline the disability adjudication process and to make it more responsive to the needs of our customers. Further, the HPI will make possible the processing of greater numbers of cases with no additional resources. Both in form and substance, the HPI reflects SSA's vision of a disability decision making process that ensures decisions are made as accurately and early as possible, and that the adjudication process is consistent and customer focused throughout.

ANTICIPATED CYCLE TIME REDUCTION UNDER NEW PROCESS



Pre-H 1 = Pre-Hearing 1 activities include the following: folder receipt, missing file receipt, procedural dismissals, reception mail entries, master docketing
 Pre-H 2 = Pre-Hearing 2 activities include the following: non-ALJ pre-hearing development, ALJ pre-hearing review, workup and case pulling, specific ALJ development
 Pre-H 3 = Pre-Hearing 3 activities include the following: coordinating schedules of claimant, representative, Administrative Law Judge, expert witnesses, hearing reporter, hearing room
 Post-H 1= Post-Hearing 1 activities include the following: post-hearing development, decision making, decision preparation, editing and finalizing decision, completing fee agreement, mailing decision and closing the case

Appendix B

Hearings Process Improvement Implementation Plan Timeline

Task	Start	Expected completion
Develop and implement communications strategy	4/5/99	ongoing
Budget planning <ul style="list-style-type: none"> Develop budget estimate Track expenses 	4/1/99 4/1/99	completed ongoing
Complete final process procedures design <ul style="list-style-type: none"> Complete detailed procedures for final process Create procedures manual 	4/15/99 7/16/99	8/16/99 9/10/99
Labor relations notice/negotiations	8/2/99	8/31/99
Position Classification <ul style="list-style-type: none"> Revise PDs Establish positions 	4/12/99 6/15/99	completed 7/30/99
Management information/systems support <ul style="list-style-type: none"> Define general MI/systems support process requirements Implement technical assistance 	4/12/99 10/1/99	7/27/99 12/30/99
Training <ul style="list-style-type: none"> Define training strategy Develop materials Deliver training <ul style="list-style-type: none"> Prototype location employees All other HO employees 	5/24/99 8/16/99 12/1/99 4/3/00	completed 10/29/99 12/30/99 12/29/00
Start-up in prototype locations	1/3/00	3/31/00
Trouble-shoot/fine-tune process	1/3/00	9/29/00
Start-up in remaining locations	10/2/00 1/2/01	12/29/00 1/31/01
Trouble-shoot/fine-tune process	10/2/00	12/29/00
Project fully implemented		3/30/01